

**NORTH YORKSHIRE COUNTY COUNCIL****AUDIT COMMITTEE****26 July 2018****Report following the detailed review of the draft Statement of Final Accounts  
(incorporating Annual Governance Statement) for 2017/18****1.0 Purpose of the Report**

1.1 To advise members of the Audit Committee on:

- i. Issues identified during the detailed review of the draft Statements of Final Accounts (SoFA) and the draft Annual Governance Statement (AGS) for 2017/18;
- ii. Actions taken as a result of issues being identified;
- iii. Offering an opinion on the draft SoFA and draft AGS for 2017/18 in advance of the Audit Committee being asked to approve them.

**2.0 Background**

- 2.1 On 21 June 2018 the Audit Committee considered a report which provided a draft Statement of Final Accounts (SOFA) for 2017/18. This included a draft Annual Governance Statement (AGS) for 2017/18.
- 2.2 In order to fulfil its responsibilities, the Audit Committee needs to be able to satisfy itself that the SOFA properly reflects the financial position of the Council and the governance and internal control processes described in the AGS are in fact both operational and effective.
- 2.3 It was agreed that a Members Working Group, consisting of the Chairman and Vice-Chairman of the Audit Committee and Mr David Portlock, be convened to give detailed consideration of the draft SOFA/AGS and that a report would be presented to the full Audit Committee on 26 July 2018.
- 2.4 This report provides a summary of the detailed review of the SOFA for 2017/18 which incorporate the AGS.

### **3.0 Key Areas Identified**

- 3.1 To assist the Audit Committee's understanding, comments are provided separately on the AGS and the SOFA for 2017/18, whilst recognising that both ultimately feature in the same document. This section also identifies the action that has taken place and / or will take place.

#### Annual Governance Statement 2017/18

1. Issue – a number of suggestions and observations were provided in respect of the Annual Governance Statement.

Action taken – the suggestions and observations have been taken into account through amendments to the Annual Governance Statement where appropriate.

#### Statements of Final Accounts 2017/18

1. Issue – a number of detailed questions were submitted and explanations were provided.

Action taken – explanations provided and no further action required.

2. Issue – a number of sub-headings and supporting narrative within statements were reviewed

Action taken – these have now been updated to provide greater clarity within the accounts.

3. Issues - a number of typos / simple errors were identified.

Action taken – these have now been corrected and are incorporated within the SoFA presented to the Audit Committee on this agenda.

**4.0 Conclusions of the Member Working Group regarding the Statements of Account and the Annual Governance Statement for 2017/18**

- 4.1 The Members Working Group is satisfied that all appropriate actions have been taken and satisfactory explanations have been provided where required.
- 4.2 No further issues have been identified up to the date of this report. However, it should be noted that the Members Working Group has not been made aware of the finalised position on the findings of the County Council's External Auditors.
- 4.3 Subject to the above, the Members Working Group recommends to the Audit Committee that the Statements of Final Accounts and the Annual Governance Statement for 2017/18 are approved.

Members Working Group  
12 July 2018